Abstract of the Disclosure

A method and system for coding audio signals in a multi-channel sound system, wherein a plurality of MDCT units are used to reduce the audio signals for providing a plurality of MDCT coefficients. The MDCT coefficients are quantized according to the masking threshold calculated from a psychoacoustic model and a plurality of INT (integer-to-integer) DCT modules are used to remove the cross-channel redundancy in the quantized MDCT coefficients. The output from the INT- DCT modules is Huffman coded and written to a bitstream for transmission or storage.